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Counsel to the Fee Examiner
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7 UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
8 SAN FRANCISCO DIVISION

In re

9 PG&E CORPORATION,

10 - and -

11 PACIFIC GAS AND ELECTRIC
COMPANY,

12 Debtors.

- 13 ☐ Affects PG&E Corporation
14 ☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

15 * All papers shall be filed in the Lead Case,
No. 19-30088 (DM)

Bankruptcy Case
No. 19-30088 (DM)
(Lead Case)
(Jointly Administered)

Chapter 11

**DECLARATION IN SUPPORT OF
ENTRY OF ORDER ESTABLISHING
FEE PROCEDURES**

Date: October 7, 2019
Time: 1:30 p.m. (Pacific Time)
Place: United States Bankruptcy Court
Courtroom 17,
450 Golden Gate Avenue
16th Floor
San Francisco, CA

Judge: Hon. Dennis Montali

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19 1. I am Scott H. McNutt, Counsel to the Fee Examiner in the above-referenced
20 bankruptcy cases. I make this declaration of my own, personal knowledge.

21 2. I make this declaration in support of entry of the order uploaded simultaneously
herewith, a copy of which is attached as Exhibit A.

1 3. The Fee Examiner's Motion to Approve Fee Procedures [Docket No. 3950] (the
2 "Fee Procedures Motion"), was Entered September 19, 2019.

3 4. The Court heard and considered the Fee Procedures Motion at the date, time and
4 place set forth above.

5 5. At the Court's direction, the Fee Examiner filed his Reply in Support of Fee
6 Procedures Motion [Docket No. 4475], Entered October 24, 2019. The Reply explains that the
7 Fee Examiner still requires entry of an order on the Fee Procedures Order. Specifically, the Court
8 must adopt its tentative ruling concerning travel time, as well as the scheduling provisions
9 proposed under the Fee Procedures Motion. The Reply attached as an exhibit a proposed form of
10 order identical to Exhibit A hereto.

11 6. Although the Reply asked the Court to indicate that the Court was adopting the
12 tentative, the Court has done nothing since the filing of the Reply.

13 7. The Fee Examiner asks the Court to enter the uploaded order, which is consistent
14 with the Court's tentative ruling.

15 I declare under penalty of perjury that, to the best of my knowledge and after reasonable
16 inquiry, the foregoing is true and correct and that this declaration was executed at San Mateo,
17 California, on November 14, 2019.
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1 DATED: November 14, 2019

SCOTT H. McNUTT

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By: /s/Scott H. McNutt

Scott H. McNutt

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Counsel to the Fee Examiner

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EXHIBIT A

1 SCOTT H. McNUTT (CSBN 104696)
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20 * All papers shall be filed in the Lead Case,
21 No. 19-30088 (DM)

Bankruptcy Case
No. 19-30088 (DM)
(Lead Case)
(Jointly Administered)

Chapter 11

**ORDER GRANTING FEE EXAMINER'S
MOTION TO APPROVE FEE
PROCEDURES**

Date: October 7, 2019
Time: 1:30 p.m. PST
Place: Courtroom 17
16th Floor
450 Golden Gate Avenue
San Francisco, CA

Judge: Hon. Dennis Montali

22 Bruce A. Markell, the Court Appointed Fee Examiner (the "Fee Examiner"), in these
23 jointly administered bankruptcy cases, filed his Motion to Approve Fee Procedures on September
24 19, 2019 [Doc. No. 3950, Entered September 19, 2019] ("Fee Procedures Motion").

25 Three responsive pleadings to the Fee Procedures Motion were filed:

26 A. "Retained Professionals' Joint Response" [Retained Professionals' Joint Response
27 to Motion to Approve Fee Procedures and Fee Examiner Protocol, Docket No. 4064, Entered
28 October 1, 2019].

1 B. "Milbank Response" [Response of Millbank LLP, Counsel to the Official Committee
2 of Unsecured Creditors, to the Fee Examiner's Motion for Approval of Fee Procedures,
3 Docket No. 4050, Entered October 1, 2019].

4 C. "U.S. Trustee's Response" [U.S. Trustee's Response to Motion to approve Fee
5 Procedures and Comments Regarding First Interim Fee Applications, Docket No. 4025,
6 Entered September 27, 2019].

7 This Court filed a "Tentative Ruling" on October 6, 2019 [Docket Text Order]. A hearing
8 was held October 7, 2019. The Fee Examiner and all parties filing responsive pleadings appeared
9 and argued. The Court encouraged parties to work out their differences, suggesting that certain
10 parties "meet and confer" over differences in the wording and structure of the Fee Examiner's
11 Protocol, originally filed with the Court as Docket No. 3762, on August 30, 2019 ("Original
12 Protocol").

13 A hearing was held on October 7, 2019 at 1:30 p.m. Appearances are as noted in the
14 record.

15 **Wherefore, in light of the foregoing, and good cause appearing therefor, It is Hereby**
16 **Ordered that:**

- 17 1. The Fee Examiner's Motion to set Fee Procedures is granted as provided herein.
- 18 2. As to any currently pending interim fee application (defined as any interim fee application
19 filed before October 8, 2019):
 - 20 i. Only the Fee Examiner shall have authority to set a hearing date, and such dates
21 shall be set under the provisions of Paragraph 9 of the Order Appointing Fee
22 Examiner, i.e., after a final report, in coordination with the Debtors counsel, and
23 grouped to advance judicial economy.
 - 24 ii. If a fee applicant and the Fee Examiner have reached a compromise, then a hearing
25 should be set on the same basis and be coordinated with other fee hearings, so that
26 hearings are grouped to advance judicial economy.
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2 3. As to future cycles of interim fee applications, the following procedures should be ordered;

3 i. Interim fee applications shall be considered every four months, as provided for in
4 the Interim Procedures Order. Under that order the first interim fee applications
5 were to be filed by July 15, 2019. Future interim applications may be filed at four-
6 month intervals commencing with that date. The next deadline to file an interim fee
7 application shall be November 15, 2019, followed by March 15, 2020, and so on
8 every four months. If an interim fee application is filed after the deadline, it will be
9 deemed filed at the next interval. Each application will cover fees and expenses
10 incurred through the end of the second full month preceding the deadline. For
11 example, the applications filed November 15 shall cover time and expenses through
12 September 30; the applications due March 15, 2020 will cover time and expenses
13 through January 31, 2020.
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16 ii. In the discretion of the Fee Examiner, the hearing dates on the interim applications
17 will be grouped into three blocks as follows:

- 18 ▪ The “core” debtors’ counsel and committee counsel (Keller Benvenuti,
19 Weil Gotschal, Cravath, Milbank, and Baker Hostetler);
20 ▪ Debtors’ other legal counsel subject to fee examination; and
21 ▪ Non-legal professionals.
22

23 4. The Fee Examiner will determine when each block is set for hearing, attempting to do so in
24 a manner respecting judicial economy and the efficient use of Fee Applicant’s time. The
25 Fee Examiner may set each block on a different day. The goal is to group applications such
26 that duplication of effort can be more easily detected (if it exists), and to also spread out
27 the work of the Fee Examiner and his limited staff.
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1 5. The Court adopts its Tentative Ruling and specifically orders that any non-working travel
2 time is disallowed except as provided in the Local Guidelines and this Court's own
3 guidelines. Any Revised Protocol agreed to by the parties should provide "Non-working
4 travel time is compensable as provided in the existing Local Rules and Court Guidelines."
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7 ****End of Order****
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